

**DETERMINATION AND FINDINGS
FOR A
SOLE SOURCE EXTENSION OF CONTRACT**

Contract No.: DCBE-2009-C-0002
Caption: Dental Services District Employees
Contractor: Connecticut General Life Insurance Company (CIGNA)
Agency: D. C. Department of Human Resources

FINDINGS

1. AUTHORIZATION:

D.C. Official Code §2-354.04, 27 DCMR 1304, 1700, 1701 and 2005.6(b)

2. MINIMUM NEED:

The District of Columbia (District/DC) Department of Human Resources DCHR has a continuing need for a contractor to provide a high quality, cost effective, and accessible dental insurance plan for both Union and Non-Union employees of the District and their eligible dependents for an interim period until a new long term contract can be awarded. Approximately 15,000 employees will continue to receive a Dental Preferred Provider Organization (DPPO) or a Dental Health Maintenance Organization (DHMO) program plan.

The period of performance is expected to be from January 1, 2014 through January 31, 2014.

3. ESTIMATED REASONABLE PRICE:

The estimated fair and reasonable price of the contract for the period from January 1, 2014 through January 31, 2014 not to exceed \$751,978.65.

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1. **Facts Which Justify Renewal or Extension of a Sole Source Contract:**

- A. Due to competing priorities in OCP and DCHR, award of a sole source contract extension, based on the requirements and terms and conditions in the current contract which expires on December 31, 2013, is the only way to ensure the continuation of services without interruption while negotiating a new contract and seeking Council approval. Award of a sole source extension for thirty (30) days will also allow DCHR to hold and open enrollment only for the dental services during the month of December 2013 and January 2014. The sole source contract extension is the most advantageous method of fulfilling the District's needs at this time.
- B. CIGNA has satisfactorily performed the required dental services for the past five (5) years and is familiar with the specific requirements.
- C. The District does not have employee staff to provide the required services.
- D. Interruption of this service would prevent the District from providing District employees with dental benefits which are required.
- E. The Office of Contracting and Procurement expects to award a new contract for these services on or before December 10, 2013.
- F. Award of the contract extension to CIGNA under contract DCBE-2009-C-0002 is the only way to ensure that the services are provided without interruption. The extension of the sole source contract is the most advantageous method of fulfilling the District's need, when price and other factors are considered. Cigna has agreed to provide services under the terms and conditions of the current contract and in accordance with Section B.2.1.1 Price Redetermination for Option Periods which states that if the total enrollment varies by more than +/- 15%, on the effective date of each renewal period, the parties will review the rates and CIGNA shall have the opportunity to revise its rates. However, CIGNA has agreed to provide the services at the current premium rates for thirty (3) days after December 31, 2013.
- G. It is not feasible or practical to seek competition at this time. There is no indication that the District would receive a lower price. OCP was not able to conduct a procurement under D.C. Code §2-303.03 in time to award a replacement contract since the present contract is scheduled to end on December 31, 2013. The sole source contract extension is the most advantageous method of fulfilling the District's needs at this time.

5. CERTIFICATION BY AGENCY HEAD:

I hereby certify that the above findings are true, correct and complete.

Date

Shawn Stokes
Director
D. C. Department of Human Resources

6. CERTIFICATION BY CONTRACTING OFFICER:

I have reviewed the above findings and certify that they are sufficient to justify the use of the sole source method of procurement under the cited authority. I certify that the notice of intent to award a sole source contract was published in accordance with 27 DCMR 1304 and that no response was received. I recommend that the Chief Procurement Officer approve the use of the sole source procurement method for this proposed contract.

Date

Yvette Henry
Contracting Officer

DETERMINATION

Based on the above findings and in accordance with the cited authority, I hereby determine that it is not feasible or practical to invoke the competitive solicitation process under either Section 402 or 403 of the District of Columbia Procurement Practices Reform Act of 2010 (D.C. Law 18-371; D.C. Official Code § 2-354.02 or 2-354.03). Accordingly, I determine that the District is justified in using the sole source method of procurement.

Date

James D. Staton, Jr.
Chief Procurement Officer